

SENATE BILL NO. 343

INTRODUCED BY M. WHEAT

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TAX ON BEER TO FUND SERVICES FOR THE TREATMENT, REHABILITATION, AND PREVENTION OF ALCOHOLISM AND CHEMICAL DEPENDENCY; AMENDING SECTION 16-1-406, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 16-1-406, MCA, is amended to read:

"16-1-406. Taxes on beer. (1) (a) A tax is imposed on each barrel of 31 gallons of beer sold in Montana by a wholesaler. A barrel of beer equals 31 gallons. The tax is based upon the total number of barrels of beer produced by a brewer in a year. A brewer who produces less than 20,000 barrels of beer a year is taxed on the following increments of production:

(i) up to 5,000 barrels, ~~\$1.30~~ \$17.83;

(ii) 5,001 barrels to 10,000 barrels, ~~\$2.30~~ \$18.83; and

(iii) 10,001 barrels to 20,000 barrels, ~~\$3.30~~ \$19.83.

(b) The tax on beer sold for a brewer who produces over 20,000 barrels is ~~\$4.30~~ \$20.83.

(2) The tax imposed pursuant to subsection (1) is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

(3) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:

(a) ~~23.26%~~ 87.39% must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism and chemical dependency; and

(b) the balance must be deposited in the state general fund."

NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2005.

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